

OPEN MEETING ITEM

COMMISSIONERS
KRISTIN K. MAYES – Chairman
GARY PIERCE
PAUL NEWMAN
SANDRA D. KENNEDY
BOB STUMP



RECEIVED



0000101482

Executive Director

ARIZONA CORPORATION COMMISSION

2009 AUG -1 A 10:32

AZ CORP COMMISSION
DOCKET CONTROL

DATE: AUGUST 7, 2009
DOCKET NO: T-20642A-08-0588

TO ALL PARTIES:

Enclosed please find the recommendation of Administrative Law Judge Belinda A. Martin. The recommendation has been filed in the form of an Order on:

**RADICAL SYSTEMS SOLUTIONS
(CC&N)**

Pursuant to A.A.C. R14-3-110(B), you may file exceptions to the recommendation of the Administrative Law Judge by filing an original and thirteen (13) copies of the exceptions with the Commission's Docket Control at the address listed below by **4:00** p.m. on or before:

AUGUST 17, 2009

The enclosed is NOT an order of the Commission, but a recommendation of the Administrative Law Judge to the Commissioners. Consideration of this matter has tentatively been scheduled for the Commission's Open Meeting to be held on:

AUGUST 25, 2009 and AUGUST 26, 2009

For more information, you may contact Docket Control at (602)542-3477 or the Hearing Division at (602)542-4250. For information about the Open Meeting, contact the Executive Director's Office at (602) 542-3931.

Arizona Corporation Commission

DOCKETED

AUG - 7 - 2009



ERNEST G. JOHNSON
EXECUTIVE DIRECTOR

1 **BEFORE THE ARIZONA CORPORATION COMMISSION**

2 **COMMISSIONERS**

3 KRISTIN K. MAYES, Chairman
4 GARY PIERCE
5 PAUL NEWMAN
6 SANDRA D. KENNEDY
7 BOB STUMP

8 IN THE MATTER OF THE APPLICATION OF
9 RADICAL SYSTEMS SOLUTIONS FOR A
10 CERTIFICATE OF CONVENIENCE AND
11 NECESSITY TO PROVIDE CUSTOMER-OWNED
12 PAY TELEPHONE SERVICE IN ARIZONA.

DOCKET NO. T-20642A-08-0588

DECISION NO. _____

ORDER

13 Open Meeting
14 August 25 and 26, 2009
15 Phoenix, Arizona

16 **BY THE COMMISSION:**

17 Having considered the entire record herein and being fully advised in the premises, the
18 Arizona Corporation Commission ("Commission") finds, concludes, and orders that:

19 **FINDINGS OF FACT**

20 1. On December 4, 2008, Radical System Solutions ("RSS" or "Applicant"), filed with the
21 Commission an application for a Certificate of Convenience and Necessity ("Certificate") to provide
22 customer-owned pay telephone ("COPT") service in Arizona ("Application").

23 2. On March 3, 2009, the Commission's Utilities Division Staff ("Staff") issued its First
24 Set of Data Requests to RSS.

25 3. On April 16, 2009, the Applicant filed its Responses to the Data Requests, including a
26 replacement page to its tariff filed with the Application.

27 4. On June 8, 2009, RSS filed additional replacement pages for its proposed tariff.

28 5. On July 10, 2009, Staff filed its Staff Report in this matter recommending approval of
the Application without a hearing.

6. In Decision No. 55817 (December 10, 1987), the Commission found that COPT
providers were public service corporations subject to the jurisdiction of the Commission.

1 7. In Decision No. 57797 (April 8, 1992), the Commission adopted A.A.C. R14-2-901
2 through R14-2-909 to regulate COPT providers.

3 8. Pursuant to A.R.S. § 40-282, the Commission may issue Decisions regarding COPT
4 Certificates without a hearing.

5 9. RSS is authorized to do business in Arizona as a foreign corporation. Staff notes that
6 RSS is authorized to operate in Nevada and has an application pending in California.

7 10. RSS submitted with its Application a customized tariff, which will apply only to
8 automated operator services for payphones in inmate environments in Arizona. Service will be for
9 outward calling only. The Applicant plans to offer Institutional Automated Collect Operator Service
10 that will allow calls within Arizona.

11 11. Staff notes that the Applicant will contract individually with each inmate facility based
12 on that facility's specific requirements. RSS will set maximum rates according to state prescribed
13 rate caps and consistent with those on file by dominant carriers and rates approved by the
14 Commission for other competitive institutional service providers. Staff concludes that, although the
15 maximum per call/per minute rate structure is the same for all facilities the Applicant serves, the
16 actual rates may differ.

17 12. According to Staff, the Applicant did not provide a customer information placard.
18 RSS asserts that customer information placards describing the services offered and operating
19 instructions are not applicable to inmate telephones. Instead of a standard information placard, RSS
20 states that it will provide information to all inmate facilities informing the inmate end users and their
21 families or called parties regarding the payphone dialing instructions, service limitations, service
22 rates and RSS' customer service number. Also, calling instructions and rate information will be
23 provided by the Applicant through automated announcements, a script of which has been provided to
24 Staff. Staff believes this satisfies the customer notification requirement.

25 13. Additionally, RSS indicated that it would make the following options available to the
26 caller and/or the called party before any payphone charges are assessed: 1) rate quotes for collect
27 calls will be available upon request at the time the call is placed, 2) the rate quotes will be provided
28 by an automated announcement during the call set-up process and prior to acceptance of the call, and

3) the called party may listen to the rates and opt to refuse the call without incurring any charges.

14. According to the Applicant, inmate calling capabilities may be restricted by the administration of the inmate facilities.

15. Staff's recommendation is reasonable and shall be adopted.

CONCLUSIONS OF LAW

1. The Applicant is a public service corporation within the meaning of Article XV of the Arizona Constitution and A.R.S. §§ 40-281 and 40-282.

2. The Commission has jurisdiction over the Applicant and the subject matter of the Application.

3. The provision of COPT service in Arizona by the Applicant is in the public interest.

4. The Applicant is a fit and proper entity to receive a Certificate for providing COPT service in Arizona.

5. Staff's recommendation is reasonable and should be adopted.

...

...

...

...

...

...

...

...

...

...

...

...

...

...

...

ORDER

IT IS THEREFORE ORDERED that the Application of Radical System Solutions for a Certificate of Convenience and Necessity for authority to provide customer-owned pay telephone service in Arizona is hereby granted.

IT IS FURTHER ORDERED that this Decision shall become effective immediately.

BY ORDER OF THE ARIZONA CORPORATION COMMISSION.

CHAIRMAN

COMMISSIONER

COMMISSIONER

COMMISSIONER

COMMISSIONER

IN WITNESS WHEREOF, I, ERNEST G. JOHNSON, Executive Director of the Arizona Corporation Commission, have hereunto set my hand and caused the official seal of the Commission to be affixed at the Capitol, in the City of Phoenix, this ____ day of _____, 2009.

ERNEST G. JOHNSON
EXECUTIVE DIRECTOR

DISSENT _____

DISSENT _____

1 SERVICE LIST FOR: RADICAL SYSTEMS SOLUTIONS

2 DOCKET NO.: T-20642A-08-0588

3

4 Robin Norton, Consultant
5 TECHNOLOGIES MANAGEMENT, INC.
6 2600 Maitland Center Parkway, Suite 300
7 Maitland, Florida 32751

8 Janice Alward, Chief Counsel
9 Legal Division
10 ARIZONA CORPORATION COMMISSION
11 1200 West Washington Street
12 Phoenix, AZ 85007

13 Steve Olea, Director
14 Utilities Division
15 ARIZONA CORPORATION COMMISSION
16 1200 West Washington Street
17 Phoenix, AZ 85007

18

19

20

21

22

23

24

25

26

27

28

29

30

31

32

33

34